



TO: Commerce Committee  
FROM: The Bushnell Center for the Performing Arts  
DATE: March 13, 2014  
RE: Support for Cap Increase of NAA Tax Credits

The Bushnell respectfully asks the Commerce Committee to increase the cap on tax credits available to business entities through The Connecticut Neighborhood Assistance Act Tax Credit Program from its current \$5 million to \$10 million. The \$5 million cap has remained at the same level for the past 15 years. The cap was exceeded for the first time in 2011, forcing each nonprofit to receive a prorated amount. The demand for the program has continued to grow and the caps have been exceeded the past two years. As a result, The Bushnell has lost more than \$200,000 over the last three years.

The benefits of the program are tremendous in a variety of ways. The Bushnell recently installed an economizer using the 100% energy conservation tax credit, thereby saving our organization tens of thousands of dollars in reduced energy costs. Additionally, the 60% tax credit for education programs has helped fund our arts-in-education program that deploys master teaching artists to use arts strategies to teach core curriculum to Hartford students who have difficulty learning through traditional methods.

This program is not only monetarily impactful, but also helps nonprofits partner with corporations they might not otherwise have the opportunity to do so. The NAA Tax Credit Program provides a mutually beneficial entrée to a company that, in the past, has not been open to discussion about supporting The Bushnell. These new relationships develop into deeper, longer lasting partnerships.

It has been our experience, and that of others, that the proration has discouraged companies from participating in the program. Some companies view the limited tax credit available to the business (\$150,000 per business entity) as a small amount. Prorating the tax credit to an even smaller amount has turned away some participants.

On behalf of The Bushnell and the Shubert Theatre in New Haven, we respectfully ask that the cap be increased to \$10 million so that the full amount can be awarded and additional companies can participate.

Thank you.

166 CAPITOL AVENUE  
HARTFORD, CT 06106-1621